



Waitakere City Council  
*Te Taiao o Waitakere*

## NOTICE OF MEETING

# TENDERS SUBCOMMITTEE

I hereby give notice that a Meeting of the Tenders Subcommittee will be held on:-

**DATE:**        **Friday**                    **11 April 2008**                    **TIME:**        **9.00 am**

**VENUE:**        **Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere**

to consider the business as set out herein and to take any necessary action connected therewith.

7 April 2008

Sharlene Riley  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8851

### **MEMBERSHIP:**

Councillors    RI       Clow (Chairman)  
                  JM       Clews, QSO, JP (Deputy Chairman)  
                  WW       Flaunty, QSM, JP

Chief Executive Officer  
Director: City Services  
Director: Corporate & Civic Services  
Director: Strategic Performance  
Director: Strategic Planning  
Director: Public Affairs  
Director: Finance

Mayor RA Harvey, QSO, JP (ex officio)  
Deputy Mayor PA Hulse (ex officio)

(Quorum 3 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A MEETING OF THE TENDERS SUBCOMMITTEE TO BE HELD AT  
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,  
WAITAKERE, ON FRIDAY, 11 APRIL 2008,  
COMMENCING AT 9.00 AM**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFLICTS OF INTEREST**

The Council has acknowledged in its Code of Conduct that Elected Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



**4 CONFIRMATION OF MINUTES**

Meeting Minutes - Friday, 28 March 2008

**RECOMMENDATION**

That the minutes of the Meeting of the Tenders Subcommittee held on Friday, 28 March 2008, as circulated, be taken as read and now be confirmed.



5 **CONTRACT NO. EW08011A - SUPPLY OF ECOSOURCED PLANTS FOR PROJECT TWIN STREAMS 2009/2010 AND 2010/2011**

**GLOSSARY**

Auckland Regional Holdings Limited (ARH)  
Project Twin Streams (PTS)

**EXECUTIVE SUMMARY**

The purpose of this report is to seek approval from the Tenders Subcommittee to invite tenders for Contract No. EW08011A - Supply of Eco-sourced Plants for Project Twin Stream 2009/2010 and 2010/2011.

To fulfil the Project Twin Streams (PTS) restoration programmes for the Henderson Creek and Lower Opanuku, Lower Oratia, Swanson and Waikumete Streams, a large supply of eco-sourced plants is required.

Generally, nurseries do not grow the number and types of plants required for large-scale restoration projects. Collection of desirable seeds occurs between January and June. The time frame required from the point of seed collection to the production of plantable stock can vary from 6 to 24 months depending on the plant species. Therefore, plants need to be ordered in advance.

**RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolves to:

1. **Receive** the Contract No. EW08011A - Supply of Eco-sourced Plants for Project Twin Stream 2009/2010 and 2010/2011 report.
2. **Agree** that the result of the tender evaluation process for Contract No. EW08011A - Supply of Eco-sourced Plants for Project Twin Stream 2009/2010 and 2010/2011 be reported back to the Tenders Subcommittee for approval.
3. **Approve** the Group Manager: Asset Management to invite tenders for Contract No. EW08011A - Supply of Eco-sourced Plants for Project Twin Stream 2009/2010 and 2010/2011.

**BACKGROUND**

1. PTS is a large, innovative project that formally began works in 2003. Its focus is on restoring six streams (Henderson Creek and Pixie, Lower Opanuku, Lower Oratia, Swanson and Waikumete streams) and their environs, principally through innovative stormwater management, weeding and planting of stream banks. Over time this focus broadened into a Quadruple Bottom Line approach, which recognises and weaves together the social, economic, cultural, spiritual and environmental aspects of the project.
2. At the end of 2004, a local community organisation was contracted to engage local residents in the aims of PTS, including local stewardship of the streams. There are now six community organisations contracted in five areas within the catchments to work with local residents to restore the streams and improve the sustainability of our ecosystems.

3. PTS has regional funding of \$39.5m over ten years from 2002 to 2012, which is held by Auckland Regional Holdings Ltd (ARH) (formerly Infrastructure Auckland). In order to facilitate and enhance the stream restoration programme and community participation process, technical assistance needs to be provided to the community groups to provide them with experienced mentors/supervisors who can provide:
  - weed identification knowledge;
  - weed removal skills;
  - an understanding of plant species and communities and their distribution zones; and
  - Proper planting techniques.

## **DECISION MAKING**

### **Issues**

4. To fulfil the PTS restoration programme, a large supply of eco-sourced plants is required. Generally nurseries do not grow the number and types of plants required for large-scale restoration projects. Collection of desirable seed occurs between January and June. The time frame required from the point of seed collection to the production of plantable stock can vary from 6 to 24 months depending on the plant species. Therefore, plants need to be ordered in advance.
5. Eco-sourcing supports the Green Network goal of seeking to ensure that the health of native ecosystems is protected and enhanced to ensure their long-term survival. Waitakere City Council has developed a nationally recognised Code of Practice for the sourcing, managing and labelling of plants for ecosourcing purposes.
6. There are very few nurseries that are in the business of providing eco-sourced plants. It is essential for PTS to find a reputable eco-sourced plant supplier and secure their services before these nurseries get committed to other large projects.

### **Options Identified**

7. Consideration has been given to only one option, which is based on the model for the previous PTS stream restoration contract. This is to invite an open tender for the Contract No. EW08011A - Supply of Eco-sourced Plants for Project Twin Stream 2009/2010 and 2010/2011.
8. It is proposed that the contract be for a two year period on a 1 + 1 yearly basis with contract renewal depending on contractor performance.

### **Assessment of Options**

9. The proposal to tender the works for a two year period on a 1 + 1 year basis provides substantial benefits to the Council. It is anticipated the benefits to the Council would be:
  - gains in competitive pricing;
  - time to allow for the propagation and production of good quality plants;
  - security of plant supply from a nursery able to provide ecosourced plants.

### Consideration of Community Views

10. Ongoing consultation is carried out with community groups for their input into the planting design for the areas adopted by the groups.

### Preferred Option

11. The preferred option is to invite an open tender for a two year period on a 1 + 1 yearly basis and renewal subject to contractor performance review.

### CONSULTATION

12. Extensive ongoing consultation is carried out with Waitakere City Council Parks Planning on the best ecological restoration practices for stream riparian restoration. This includes identification of the appropriate plant species for all the restoration sites.
13. Ongoing consultation is carried out with community groups to ensure that groups that are adopting sites have involvement in plant species selection for their sites.

### RESOURCES

14. Funding for this contract will be provided by grants from ARH. It is estimated that the cost of this contract for the two year period will be \$1,006,000 (excl GST) and has been included in the Project Twin Streams budget as per the Long Term Council Community Plan 2006-2016. Based on the nature of these works, Council will be able to claim the full amount from Auckland Regional Holdings Limited.

### IMPLEMENTATION ISSUES

15. There are no foreseeable implementation issues.

Report prepared by: Shuaib Chota, Sustainable Engineering Manager.



## **6 CONTRACT NOS. EW08005A-E - PROJECT TWIN STREAMS - RESTORATION PROJECT 2008/2009 AND 2009/2010**

### GLOSSARY

Auckland Regional Holdings Limited (ARH)  
Project Twin Streams (PTS)

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to invite tenders for Contract Nos. EW08005A-E - Project Twin Streams - Restoration Project 2008/2009 and 2009/2010. It is proposed to use a two envelope tender due to the importance of non-price attributes for this project. Approval for a contract for a two year period (on a 1 + 1 yearly basis subject to a contractor performance review) is being sought.

The tender is for works associated with the restoration of the riparian margins along the Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream and Swanson Stream. This includes:

- removal of environmentally damaging weeds;
- revegetation of stream banks;
- removal/clearance of rubbish from streams;
- provision of technical support to community groups and;
- implementation of safety plans during community events.

### **RECOMMENDATIONS**

It is recommended that the Tenders Subcommittee resolves to:

1. **Receive** the Contract Nos. EW08005A-E - Project Twin Streams - Restoration Project 2008/2009 and 2009/2010 report.
2. **Approve** the Group Manager: Asset Management to invite tenders for Contract Nos. EW08005A-E - Project Twin Streams - Restoration Project 2008/2009 and 2009/2010 for a two year period on a 1 + 1 year basis for works on the restoration of the riparian margins along the Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream and Swanson Stream.
3. **Agree** that the result of the tender evaluation process for Contract Nos. EW08005A-E - Project Twin Streams - Restoration Project 2008/2009 and 2009/2010 be reported back to the Tenders Subcommittee for approval.

### **BACKGROUND**

1. Project Twin Streams (PTS) is a large, innovative project that formally began works in 2003. Its focus is on restoring six streams: Waikumete Stream, Opanuku Stream, Henderson Creek, Oratia Stream and Swanson Stream and their environs, principally through innovative stormwater management and weeding and planting of stream banks. Over time this focus broadened into a Quadruple Bottom Line approach, which recognises and weaves together the social, economic, cultural, spiritual and environmental aspects of the project.
2. At the end of 2004, a local community organisation was contracted to engage local residents in the aims of PTS, including local stewardship of the streams. There are now six community organisations contracted in five areas within the catchment to work with local residents to restore the streams and improve the sustainability of our ecosystems.
3. PTS has regional funding of \$39.5 million over ten years from 2002 to 2012, which is held by Auckland Regional Holdings Ltd (ARH) (formerly Infrastructure Auckland). In order to facilitate and enhance the stream restoration programme and community participation process, technical assistance needs to be provided to the community groups to provide them with experienced mentors/supervisors who can provide:
  - weed identification knowledge;
  - weed removal skills;
  - an understanding of plant species and communities and their distribution zones; and
  - proper planting techniques.

## SCOPE OF WORK

4. In terms of the ARH grant terms and conditions, PTS is required to successfully deliver the stream restoration programme on the six streams by 2012. To achieve this, a Contractor is required to carry out the weed control and revegetation programme as well as assist community groups where necessary.
5. Environmental weeds are a major problem along the riparian margins of the six streams. In order for PTS restoration planting to be successful, these weeds must be removed, as otherwise they have the potential to damage or destroy the restoration effort. Even after revegetation, sites may need some maintenance works to control weeds and allow for establishment of the planted plants. Some species require long term management in order to successfully eradicate them, for example bamboo can take on wards of 18 months to be completely eradicated.
6. Community groups are constantly being engaged by PTS to assist with and take responsibility for the restoration of their local stream. While community groups may have the interest to become involved, they do not necessarily have the skills or knowledge to do so. To empower community groups to become involved and grow their skill sets, it is essential that the groups are provided with resources that will impart these skills and knowledge. In the past, Contractors who are experienced in weed management, revegetation and/or stream restoration have been utilised in the past to work alongside community groups and provide the community with training in this field.
7. There are many parts of the six streams that are too dangerous for community groups to work in due to problems such as stream bank stability, stream flows or stream bank topography. Competent contractors experienced with dealing with these conditions are required to undertake all aspects of the restoration works at such sites.

## Assessment of Options

### Option 1 Single Envelope, Weighted Attributes Tender

8. The first option is to invite a single envelope, open tender for a two year period on a 1 + 1 year basis, with renewal subject to a contractor performance review. This option was utilised by PTS in previous similar contracts. Due to the significant emphasis on the weightings for price, the outcome of the tender using this method can significantly favour low cost contractors at the expense of other highly relevant attributes such as experience and methodology.

### Option 2

9. The second option is to use a two envelope open tender for a two year period a 1 + 1 yearly basis, with renewal subject to a contractor performance review. A two envelopes tender evaluation method enables important non-price attributes to be assessed, without price influencing the decision in the initial stages of the tender evaluation process.
10. The proposal to tender the works for a two year period on a 1 + 1 year basis provides substantial benefits to the Council. It is anticipated the benefits to the Council would be:
  - gains in competitive pricing and staff security;
  - increases in management and team supervisory efficiencies and skill;
  - gains in consistency of service provision and better understanding and knowledge of work areas;

- provision of dedicated and planned scheduling of works;
- reduced tender process and contract administration resources and costs; and,
- a longer timeframe to assess and review contractor performance and achievement of deliverables would be available.

### PREFERRED OPTION

11. The preferred option is to invite open tenders using a two envelope tender evaluation method for a two year period on a 1 + 1 yearly basis and subject to a contractor performance review. The risk of this short timeframe is that cost saving opportunities may be lost due to cheaper rates for a longer term contract. However, this is balanced by the uncertainty of future work scope due to the community involvement component of PTS.

### SOURCE OF FUNDING

12. The stream restoration programme along the six streams is fully funded externally through ARH. Funding of \$2.167 million for this project has been provided in the 2006-2016 Long Term Council Community Plan for the 2008/2009 year.

### IMPLEMENTATION ISSUES

13. Controlling environmental weeds can be a contentious issue with public because:
  - herbicide application is required, and sometimes necessary depending on weed species, to effectively control weeds. There are some members of the public who are averse to the use of herbicides.
  - Weed control can result in sites being left denuded of vegetation. This increases the risk of sediment runoff and erosion into streams. However, in the long term, the revegetation plants will provide much better cover and security of the soil.
14. The Waitakere City District Plan recognises that even weeds can play an important role in supporting native ecology and the stream environment. There are rules around alteration to vegetation and alteration to vegetation within riparian margins within the District Plan that need to be adhered to.

Report prepared by: Shuaib Chota, Sustainable Engineering Manager.



## 7 CONTRACT NO. PK07025A - WESTPARK MARINA CAR PARK

### EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Tenders Subcommittee to award Contract No. PK07025A - Westpark Marina Car Park.

### RECOMMENDATIONS

It is recommended that the Tenders Subcommittee resolves to:

1. **Receive** the Contract No. PK07025A - Westpark Marina Car Park report.
2. **Approve** that the tender from Sureway Civil Limited for Contract No. PK07025A - Westpark Marina Car Park in the sum of \$267,387.00 plus \$33,423.38 GST, totalling \$300,810.38 be accepted.

3. **Approve** that authority to enter into Contract No. PK07025A - Westpark Marina Car Park on behalf of the Council be delegated to the Group Manager: Project Services.

### BACKGROUND

1. Contract No. PK07025A - Westpark Marina Car Park forms part of Council's strategic projects programme as provided for in the 2007/2008 Annual Plan and specifically Council has acquired land located at the end of Clearwater Cove, Westpark Marina for the purpose of constructing a boat trailer car park.

### SCOPE OF WORK

2. The scope of work includes the construction of a sealed car park at Clearwater Cove, Westpark Marina and associated ancillary works.
3. The works include but are not limited to:
  - Site clearance;
  - Excavation;
  - Retaining wall construction, kerb and channel;
  - Pavement construction;
  - Stormwater infrastructure;
  - Roadmarking;
  - Installation of lighting and a "pay and display" kiosk;
  - Environmental management in accordance with the resource consents;
  - Other miscellaneous works.

### TENDERS RECEIVED

4. Tenders were publicly advertised on Tenderlink with 38 sets of documents being uplifted. Seven tenders were received by the closing date of 1 April 2008. These are summarised in Table 1 below:

TENDERER	REG OFFICE	TENDER PRICE (excl. GST)
Sureway Civil Limited	Orewa	\$267,387.00
Arrow Civil Engineers Limited	Onehunga	\$298,600.00
John Fillmore Contracting Limited	Mangere	\$301,068.72
Traffic Systems Limited	Mission Bay	\$309,413.26
Rockhard Civil and Drainage Limited	North Shore	\$321,495.30
Giles Civil Limited	North Shore	\$327,708.50
Bodley Brothers Limited	Takapuna	\$318,138.56
<b>Pre-tender contract estimate</b>		<b>\$301,720.44</b>

**Table 1 - Summary of Tender Prices**

5. The lowest tender is 11% below the pre-tender contract estimate.

### TENDER EVALUATION

6. In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Land Transport New Zealand's 'Competitive Pricing Procedures Manual'.

7. These procedures require that where the tender includes Provisional Sums (work valued by the Principal and placed within the Schedule of Prices) they are deducted from the Tender Sum prior to evaluating each tender.
8. In this contract the value of Provisional Sums is \$18,000.
9. The 'Single Envelope Process' was followed with the non-price attributes being evaluated first, followed by the price attributes for each tender.
10. A summary of the evaluation results is shown in Table 2:

Tender Evaluation	Attributes	Exp.	Track Rec'd	Tech. Skill	Re.s	Man. Skill	Method	Price	Contract Number PK07025 A
									Total Weights
	<b>Weights</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>70</b>	<b>100</b>
Tenderer	Tender Sum	Grades							INDEX
Sureway Civil Limited	\$249,387.00	55	65	60	65	50	65	63	62
John Fillmore Contracting Limited	\$283,068.72	85	85	80	80	85	60	51	60
Arrow Civil Engineers Limited	\$280,600.00	70	70	85	80	75	65	52	59
Traffic Systems Limited	\$291,413.26	65	65	65	65	65	70	49	54
Giles Civil Limited	\$ 309,708.50	85	85	80	65	65	60	42	53
Rockhard Civil and Drainage Limited	\$ 303,495.30	45	45	45	50	60	50	44	45
Bodley Brothers Limited	Disqualified	35	35	35	35	35	35	-	Disqualified
Med.n Tender Price	\$287,240.99								

**Table 2 - Summary of Tender Evaluation**

11. Sureway Civil Limited was formed in 2007 and have several senior staff members with significant civil engineering industry experience. They have a short but very good track record in projects of a similar nature to this one.
12. Sureway Civil Limited referees have confirmed that they are a cooperative contractor to work with and are proactive in finding solutions to problems encountered. The referees all recommended this contractor.
13. The tender from Bodley Brothers Limited was disqualified as no company attribute information was included with the tender submission.

#### **TAGS, ERRORS OR OMISSIONS**

14. There were no tags or errors included with any of the tenders.

#### **CREDIT CHECK**

15. A credit check on Sureway Civil Limited dated 3 April 2008 revealed no adverse information.

## JOB COSTS

16.	<b>excl. GST</b>
Tender sum - Sureway Civil Limited	\$267,387.00
Contingency	\$ 30,000.00
Engineering and Supervision	\$ 30,000.00
Disbursements	\$ 14,000.00
	-----
Total Job Cost	\$341,387.00

## SOURCE OF FUNDING

17. Source of funding is shown in Table 3 below:

Budget Description (from Annual Budget line item) 2007/2008 Annual Plan	Codes	Budget	Committed to other projects	Allocation to this project	Unallocated balance
Westpark Marina Public Works	3SPSC-07-019	\$601,000.00	\$0	\$341,387.00	\$259,613.00

## IMPLEMENTATION ISSUES

18. The results of the tender evaluation as summarised in Table 2 shows that the tender submitted by Sureway Civil Limited achieved the highest index of 62. This tender is also the lowest priced tender.
19. Sureway Civil Limited is a small and relatively new company that has a good depth of experienced personnel. Their track record is good and they have performed several jobs of a similar nature to a good standard. Referees from past projects have been sought and very good recommendations have been received. Sureway Civil Limited are familiar with contract specifications and have developed good working relationships on their recent and current contracts.
20. As part of Council's contracting process 'Quality and Health and Safety is not negotiable' - all contractors have had this focus clearly reinforced through the contract documents and this will be strongly reiterated at the subsequent pre-start meeting and imposed during the contract period.

Report prepared by: Matt Lilly, Contract Engineer: Project Services.

